

LEG REG REVIEW 2007, Twenty-Ninth Issue

LEG REG REVIEW is a periodic newsletter produced by PHILLIPS ASSOCIATES, a professional lobbying and consultant firm based near the State Capitol. It contains news on the legislative and regulatory scene in Pennsylvania that may be useful to insurance producers, companies, and business interests. It is a free Member Service if you belong to the Pennsylvania Association of Health Underwriters or Manufacturers Association of South Central PA. Subscription information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217 FAX 717/728-1164 or e-mail xenobun@aol.com. Please email jtrout2792@aol.com supplying both your e-mail and fax numbers in order to convert this publication to e-mail. If you wish to no longer receive it, please tell us.

INSURANCE DEPARTMENT HOLDING HEALTH REFORM HEARINGS

The Rendell Administration is convening a series of hearings across the state to discuss health care reform and the Cover All Pennsylvanians proposal advanced by the Governor and the Office of Health Care Reform. Participants include small businesses who will discuss their difficulties and ideas for reform. One session was already held September 19 in Darby, PA. Hearings are open but business presenters should be slotted in ahead of time. Details: Roseanne Placey or Melissa Fox at 717/787-3289. The Insurance Department is conducting those hearings at:

September 24 Wilkes-Barre City Council Chambers
October 4 Harrisburg City Council Chambers
October 15 Erie City Council Chambers
October 16 Allegheny County Courtroom Gold Room
October 24 State College Municipal Building

NEW YORK OUT OF STATE WC COMPLIANCE IN LIMBO

New York has reconsidered implementation of a new Workers' Compensation law requiring NY Workers' Compensation coverage on people doing business in the state even for one day. The September 14 posting on their web site (www.wcb.state.ny.us) reads: *"The 2007 Workers Compensation Reform Legislation includes coverage requirements for out-of-state employers with employees working in NYS. The Workers Compensation Board is currently reviewing this provision, along with the comments and concerns of its stakeholders, and seeking appropriate assistance to develop the rules implementing the section of the new law. This web site will be updated with the implementation rules as soon as they are promulgated."*

Despite this encouraging news, PA employers and their insurance agents are still far from home free. First, even though Document 046-198 has not been implemented, something will be as soon as New York finishes its review. Officials there may not see its real-world impact on PA businesses. **Please contact the NY Workers Compensation Board Compliance Office 866/298-7830 with your concerns.** From an E&O point of view, it might be important to keep on top of this issue since if a client is not in compliance with WC rules in New York and is punished, might they come back to their agent to find out why they were left exposed?

One question heard at last week's SPARKS Club Clinics was whether or not Form WC/DB-101 (Affidavit that an out of state employer working in NYS does not require specific NYS Workers compensation coverage and/or disability income coverage has been reinstated) is once again necessary. The web site says that this form is obsolete after September 9, 2007. The other question was reciprocity or the risk of retaliatory action by other states such as PA against NY employers.

IT'S OFFICIAL: GOVERNOR SEEKS SCHOOL BENEFIT CONSOLIDATION

In a September 21 statement, Governor Rendell endorsed House Bill 1841, a move that would consolidate school district benefit programs in a state-run plan. He cited a drop in the number of teacher strikes as an advantage because health benefits would no longer be a collective bargaining issue. The Governor also said that consolidation would also “at a minimum curb the rising cost of health care and at best achieve significant savings for PA taxpayers.” This would be done leveraging the purchasing power of all school districts. The proposal also includes first-ever state funding to help pay for increases in school employee health benefit costs. To review bill text, go to www.legis.state.pa.us and type in ‘hb1841’. This statement followed his communication with legislators this past week.

ON THE HILL

- On September 18, the PA Senate confirmed Steve Kaplan as PA Secretary of Banking. He succeeds Victoria Reider who served as Acting Secretary of Banking. A confirmation hearing date for Governor Rendell’s appointment of Joel Ario as insurance commissioner has not yet been scheduled.
- *The Senate Banking & Insurance Committee held a hearing on Senator Pat Browne’s package of bills relating to the mortgage industry.*
- The House Insurance Committee will meet September 27 for a public hearing on House Bill 1105 (Curry-D-Montgomery) requiring insurers to provide coverage for Hemophilia Standards of Care.
- *The House Transportation Committee moved HB 163 (Watson-R-Bucks), a bill that would prohibit junior drivers from having more than one teenage passenger other than relatives for whom permission was given.*
- A rally has been scheduled for October 2 by a number of labor, unemployed worker and advocacy groups endorsing health care reform package to, in its words, “get behind the most popular Governor in recent memory who’s proposing the nation’s most comprehensive package of reforms”. The promo goes on to say “Now is the chance to win an affordable statewide health insurance program and finally get the historically uninsured some health coverage.”
- *Senator Joe Scarnati (R-Warren) introduced legislation in SB 9 to prevent illegal aliens from receiving Medicaid, welfare and in-state college tuition. This is important to the health debate because of the uncompensated care issue, costs borne by the hospital, as well as the state’s financial drain from providing these services.*

NEWS TO NOTE:

- A merger of two of the state’s most influential business groups has taken place. Business Roundtable and Pennsylvanians for Effective Government have joined and will use the umbrella name Pennsylvania Business Council.
- PA Health Cost Care Containment Council (PHC4) issued a heads-up to mark the date of November 14 on its next networking meeting for health care purchasers. Details: Mike Berney at mberney@phc4.org.